Roberts, Bradley

From:

Roberts, Bradley

Sent:

Friday, May 26, 2017 7:40 AM

To:

'David_Anderson@oxy.com'

Cc:

Carrie.Ridley@ks.gov; Lisa_Thurman@oxy.com; Charles.Janson@ghd.com; Johnson, Jeff;

Lancaster, Michael

Subject:

RE: Corrective Action Cost Estimate for KSD007482029

David, The reason I asked for this information was to be able to refer to it in contemplating remedy selection as much as to eventually make an update to financial assurance. I'm actually working on an approval letter for Occidental's financial assurance at this time, so the requested information won't impact that approval for this year. Assuming that the interim measures Occidental is currently performing will, for the most part be included in the final remedy, I'm concerned that the cost estimate we're currently using is not going to allow us to make an informed remedy selection decision. If you include projected costs for each proposed remedy in your upcoming CMS Report, that should suffice for my needs at this time.

Brad Roberts, Environmental Scientist AWMD/WRAP/RCAP US EPA Region 7 11201 Renner Blvd. Lenexa, KS 66219

Phone: 913-551-7279 Fax: 913-551-9279

Email: roberts.bradley@epa.gov

From: David Anderson@oxy.com [mailto:David Anderson@oxy.com]

Sent: Wednesday, May 17, 2017 12:24 PM

To: Roberts, Bradley <roberts.bradley@epa.gov>

Cc: Carrie.Ridley@ks.gov; Lisa_Thurman@oxy.com; Charles.Janson@ghd.com; Johnson, Jeff < Johnson.Jeff@epa.gov>;

Lancaster, Michael < lancaster.michael@epa.gov>

Subject: RE: Corrective Action Cost Estimate for KSD007482029

Brad,

As you suggested in your email, the approach used to develop the current estimate (\$4.5M) was based on application of an inflation adjustment to previous estimates based on activities identified in our permit and implementation of ICMs. In spite of completing a number of the activities required in our permit, we have maintained the estimate as previously submitted with the inflation factor applied each year. As a result, the current amount of our financial assurance should represent a conservative estimate for those items in our current permit.

As we have recently discussed, the Corrective Measures Study is still underway and the final corrective measures have not yet been selected and, therefore, it may make more sense to hold off on developing a detailed estimate until we have the final remedy selected. In addition, the annual O&M costs that we are currently incurring will almost certainly change with the final remedy and are not likely to be truly representative going forward. We have planned to develop a more detailed estimate once the CMS process is complete. As you know, we expect that to be later this year and we anticipate that our next financial assurance submittal would be reflective of the final corrective measures. As a result, we think it would make sense to hold off on a new detailed estimate until our financial assurance submittal date in March 2018.

If you have any questions about this information, please feel free to contact me.

(713) 840-3090 office

Ex. 6 PII

From: Roberts, Bradley [mailto:roberts.bradley@epa.gov]

Sent: Thursday, April 20, 2017 8:28 AM

To: Anderson, David W < David_Anderson@oxy.com>

Cc: Carrie.Ridley@ks.gov; Thurman, Lisa <Lisa Thurman@oxy.com>; Charles.Janson@ghd.com; Johnson, Jeff

<Johnson.Jeff@epa.gov>; Lancaster, Michael <lancaster.michael@epa.gov> Subject: [EXTERNAL] Corrective Action Cost Estimate for KSD007482029

David, Occidental has provided documentation of financial assurance to support a corrective action cost estimate that has been updated over the years by inflation adjustment. At this time the EPA would like to perform a detailed review of the cost estimate for corrective action at the Occidental site. We request a complete list of the duties being performed as interim corrective measures, the associated costs (on an annual basis), and the supporting documentation for those costs. Please provide this information by May 20, 2017. If you have any questions, please let me know. Thanks.

Brad Roberts, Environmental Scientist AWMD/WRAP/RCAP US EPA Region 7 11201 Renner Blvd. Lenexa, KS 66219

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